

## RAILROAD COMMISSION OF TEXAS

## **HEARINGS DIVISION**

OIL AND GAS DOCKET NO. 01-0289886

THE APPLICATION OF ACCESS MLP OP, LLC TO CONSTRUCT AND OPERATE A HYDROGEN-SULFIDE GAS PIPELINE, 10 3/4-INCH FAUST INTERCONNECT EXTENSION, DIMMIT COUNTY, TEXAS

APPLICATIONS REVIEWED BY:

Brian Fancher, P.G. - Technical Examiner

DATE APPLICATION FILED:

June 17, 2014

DATE APPLICATION RECEIVED:

July 23, 2014

DATE REVIEWED:

July 24, 2014 & October 1, 2014

# EXAMINER'S REPORT AND RECOMMENDATION STATEMENT OF THE CASE

The subject application is unprotested. Access MLP Op, LLC ("AMLP") seeks authority to operate a hydrogen-sulfide gas pipeline in Dimmit County, pursuant to 16 Texas Administrative Code §§3.36, 3.70, and 3.106.

The Railroad Commission's ("RRC") Oil and Gas Division has reviewed the subject application, and concluded that it satisfies the applicable requirements of  $16\,\text{TAC}\,\$\$3.36$  and 3.106. The RRC's Pipeline Safety Division has reviewed the subject application, with respect to the applicable provisions of  $16\,\text{TAC}\,\$3.70$ , and determined it satisfactory.

### **DISCUSSION OF THE EVIDENCE**

The subject application ("the pipeline") is unprotested. AMLP submitted a complete Form T-4 (Application for a Permit to Operate a Pipeline in Texas) for the pipeline. The entity listed as the pipeline owner is Mockingbird Midstream Gas Services, LLC (P-5 No. 572835); however, AMLP is listed as the pipeline operator. The pipeline is an extension of the Dilley Rich Gas Gathering System (T-4 Permit No. 08236), and is considered a gas utility pipeline¹. The pipeline will be used as a flow-line to gather natural gas that contains up to 10,000 parts per million ("ppm") of hydrogen-sulfide (" $H_2S$ ").

AMLP published notice of the subject application in the Carrizo Springs Javelin on June 11, 2014 and August 6, 2014. The Carrizo Springs Javelin is a newspaper of general circulation in Dimmit County. The subject application was filed with the Dimmit County Clerk on June 16, 2014

<sup>&</sup>lt;sup>1</sup> See Access MLP Op, LLC's completed Form T-4 dated February 25, 2014.

and August 6, 2014. By letter dated September 29, 2014, the Oil and Gas Division informed AMLP that the pipeline will be recommended for approval, contingent upon the recommendations made the RRC's District 02-H<sub>2</sub>S Coordinator and the RRC's Pipeline Safety Division. By electronic mail dated July 01, 2014, all recommendations for approval were received by the Oil & Gas Division.

AMLP's proposed pipeline ("the Faust Interconnect") is located approximately eighteen miles southwest of Dilley, Texas. The Faust Interconnect pipeline will extend 5.54 miles, and will be an addition to AMLP's existing Dilley Rich Gas Gathering System in Dimmit County, Texas (T-4 Permit No. 08236). The Faust Interconnect pipeline will carry approximately 12,500 MCFGPD, which contains a hydrogen-sulfide ("H<sub>2</sub>S") concentration of up to 10,000 parts per million ("ppm"). The Faust Interconnect pipeline's maximum operating pressure will be 720 pounds per square inch gauge ("psig").

The Faust Interconnect pipeline's 100 ppm radius of exposure of  $H_2S$  ("ROE") is 2,068 feet and the 500 ppm ROE is 945 feet. The The Faust Interconnect's 100 ppm ROE includes twenty deer stands<sup>2</sup>, and the 500 ppm ROE includes eighteen homes and structures<sup>3</sup>. In addition, a portion of State Highway 85 falls within the ROEs.

Pursuant to RRC Statewide Rule 36(c)(6)(A) and (c)(6)(B),  $H_2S$  warning signs will be posted at all road crossings as well as intervals along the pipeline frequent enough as to provide warning to avoid accidental rupture of the line by excavation. The signs will indicate poison gas, company name, and emergency phone numbers.

All materials will satisfy the requirements described in the latest editions of NACE Standard MR-01-075. The Faust Interconnect pipeline will be constructed of API-5L-X60 grade steel pipe with 1/4-inch wall thickness. The Faust Interconnect pipeline will be chemically treated as needed for internal corrosion and monitored with corrosion coupons. The Faust Interconnect pipeline will be buried a minimum of four feet.

#### **FINDINGS OF FACT**

1. Access MLP Op, LLC ("AMLP") seeks to construct its proposed Faust Interconnect pipeline ("the subject application or the subject pipeline"), which is an extension of the existing Dilley Rich Gas Gathering System in Dimmit County, Texas (T-4 Permit No. 08236).

For the purposes of the subject Examiner's Report and Recommendation, affected structures only include those structures within the 100 and 500 ppm ROEs identified by the applicant in the subject applications.

<sup>&</sup>lt;sup>3</sup> See AMLP's Contingency Plan.

- 2. AMLP published notice of the subject application in the Carrizo Springs Javelin on June 11, 2014 and August 6, 2014.
- 4. The applications were filed with the Dimmit County Clerk on June 16, 2014 and August 6, 2014, and are unprotested.
- 5. AMLP's subject pipeline will contain 10,000 parts per million ("ppm") of hydrogensulfide gas (" $H_2S$ "), will carry approximately 12,500 ("MMCFG"), and is 5.54 miles in length.
- 7. The subject pipeline's 100 ppm Radius of Exposure  $H_2S$  ("ROE") is 2,068 feet and the 500 ppm ROE is 945 feet.
- 9. Pipeline materials and construction for the subject pipeline will meet the NACE and API standards.
- 10. The Railroad Commission's Oil and Gas Division, Pipeline Safety Division, and Gas Services Division recommend approval of the applications.

#### **CONCLUSIONS OF LAW**

- 1. Proper notice was timely presented pursuant to applicable statutes and rules.
- 2. All things have occurred and have been accomplished to give the Commission jurisdiction in this case.
- 3. Pipeline materials and construction for the subject pipeline will meet the NACE and API standards, as required by 16 Texas Administrative Code §3.36 for H<sub>2</sub>S service.
- 4. AMLP's subject application meets the requirements set forth in 16 Texas Administrative Code §§3.36, 3.70, and 3.106.

#### **EXAMINER'S RECOMMENDATION**

Based on the above Findings of Fact and Conclusions of Law, the examiner recommends that the applications of Access MLP Op, LLC for Commission authority to construct and operate the proposed Faust Interconnect pipeline be APPROVED.

Respectfully,

Brian Fancher, P.G. Technical Examiner